I request that the House Regulatory Reform Committee vote today in favor of SB878 which will clarify and codify the rules regarding Millionaire Party Licenses and Texas Hold 'Em Charity Poker. Without passage of this legislation, I fear that charities like ours will be negatively affected in our fundraising efforts, with subsequent decrease in support for our beneficiaries. Included are several examples of the types of youth-related community activities that our club supports. Unfortunately, many of these beneficiaries are in jeopardy of losing our donations if the legislature doesn't enact SB878 and instead the restricted proposed rules for Millionaire Party Licenses go into effect.

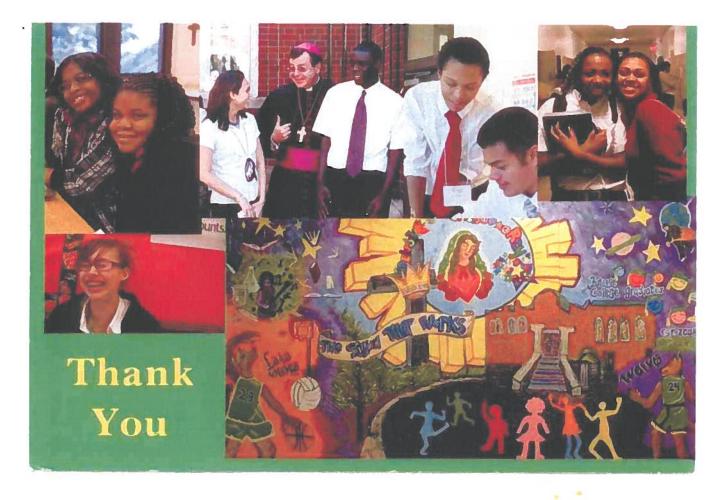
Sincerely,

Kent A. Commer, Secretary

Katto Com.

Lakeshore Optimist Club of Grosse Pointe





KENT 
THANK YOU FOR THE OPPORTUNITY PEYHIGH

TO SPEAK TO THE OPTIMIST CLUB

THIS WEEK. I APPRECIATED THE

NOTEREST IN OUR STUDENTS AND

SCHOOL.

I HOPE YOU CAN VISIT THE
SCHOOL AND MEET OUR AMARING STUDENTS
AND STAPF. Mil

Dear Mr. Commer, Mr. Hohlfeldt, & the Lakeshore Optimist Club Members,

Thank you so much for the award and scholarship.

I really appreciate your dediration to improving our community and will put my scholarship money to good use.

Thank You Again, anne Geech Anne Green

Lakeshere Optimist Club,

Thank you very much for honoring

me with the Youth Ingresination

Award. I feel very honored to have

been considered for the award

and thank you for continiing the fixelit

The award refremeny was a very

nee event, and enough the fixelit

systems and award presentations

Very much. Itanify you also so

Very much. Itanify you also so

the refreshments during the event

My the the youth Appreciation Award.

I love having my certificate an

- Daniel Harris





Founder Diane Strickler

Board of Orrectors 2013-2014

Allison Baker, Vice Prevident Community Representative

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Lori Walner PhD Beaumont Hospital Chil.

**Executive Director** 

Assistant to the Director

08/07/2013

Christopher Thomas-President Lakeshore Optimist Club of Grosse Pointe 32 Lakeshore Dr Grosse Pointe Farms, MI 48236

Dear Chirstopher.

On behalf of The Family Center, please accept our sincere appreciation for your gift of \$250.00, received on August 07, 2013. Your generosity toward our Enrichment Campaign will help us to serve our community through programs and resources vital to today's families.

Together we are enriching our community through stronger families.

Thank you so very much!

Gratefully yours.

Deborah A. Liedel, Executive Director 313-432.3832

Debbie.liedel@familycenterweb.org

The Family Center, a 501e3 organization, has provided vine with no goods or services in exchange for your gift. therefore, you full contribution should be tax deductible as allowed by the law



# EAGLE CHILDREN'S CHARITIES



Eagle Children's Charities 21001 Moross Rd. Detroit, MI 48236

Main: 313-402-4575 Fax: 313-882-3987

Thank for

## Donor Name & Address:

Lake Shore Optimist Club 32 Lake Shore Road Grosse Pointe Farms, MI 48236

Date: 10/10/2013

Gift Amount: \$ \$150.00

YTD: \$ \$150,00

Email: eaglesportsclub@yahoo.com Web: www.eaglesportsclub.com Tax Exempt #: 38-3477837

Eagle Children's Charities' Mission: To build life-changing relationships through Sports, Camps and Tutoring.

Thank you for your contribution and partnership with ECC!

No goods or services were rendered for this donation.

PLEASE save upper portion for your records - this is your tax receipt





### Officers

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Or Pollip W Lett

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President and CEO.

December 13, 2013

Ms. Nancy Grose Lakeshore Optimist Club of Grosse Pointe 32 Lake Shore Rd Grosse Pointe Farms. MI 48236-3726

Dear ivis. Gruse.

Thank you very much for your investment in Judson Center. Your generous gift of \$250.00 in support of our Grosse Pointe office, was received on December 10, 2013, will make a lasting and significant impact in the lives of children, adults and families.

Since 1924, Judson Center has been a part of our community - a community of caring. Now, as we kick-off our 90th anniversary celebration, we are reminded that our mission is still very relevant today. We still have so much to do! The philanthropic gifts we receive, like yours, provides the necessary support that allows us to continue to be a resource for healing and a leader in human services that delivers brighter futures. Together, we are changing fates challenged by autism, developmental disabilities, mental health, abuse and neglect.

If you have any questions regarding your gift, programs offered or how you can become more involved with Judson Center, please contact me directly at 248.837.2052 or erika jones@judsoncenter.org.

On behalf of our entire Judson Center family, thank you for thinking of us and for your generosity. We appreciate and value your commitment and compassion. Together, we will continue to make a positive difference in the lives of so many!

Sincerely.

Best lister and theppy Development Officer, Major Gifts and Annual Giving

Judson Center is a 501(c)3 charitable organization, tax I.D. # 38-1359084. This letter also serves as a receipt for your tax deductible donation. No goods or services were provided in exchange for this gift.

Please remember Judson Center in your estate plan.





#### **EXECUTIVE BOARD**

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December 2013

"FORGOTTEN"

Dear Mr. Koski and the Lakeshore Optimist Club,

Once again, your group has come through for the Detroit Goodfellows with a generous gift of \$1,130. As Mr. Conrad Koski stated during the breakfast meeting, we'd like nothing more than to be put out of business. Unfortunately, as long as there are children living in poverty the Goodfellows will be there to keep our pledge of "No Kiddie without a Christmas". It's organizations like the Lakeshore Optimist Club that enable us to continue putting multiple books and warm sweatshirts, silkscreened with names of Michigan colleges and universities, in the holiday packages for children.

Optimist Clubs are dedicated to "Bringing Out the Best in Kids" and your club will certainly bring out the smiles in 35,000 children!

Merry Christmas, Happy New Year and THANK YOU!

Sincerely,

Therese R. Yglesias

Detroit Goodfellows' Vice-President

Therese R. Upliscas



Grosse Pointe South High School
11 Grosse Pointe Boulevard
Grosse Pointe, Michigan 48236
Telephone: (313) 432-3500

FAX: (313) 432-3502

April 17, 2014

Dear Lakeshore Optimist Club

Thank you for your very generous donation of two \$100 gift certificates and for your support of this year's Art Fest. Your donation will provide both professional credibility to our show and support to the artistic achievements of our students.

This year's show was held in Grosse Pointe South's Multi-Purpose Room (MPR). The space is excellent for viewing artwork. The show opened to the public at 7.00 p.m. on Wednesday, April 2 with an awards ceremony at 8.00 p.m. in the auditorium. Sponsors selecting their own award winners visited the MPR on Tuesday April 1st between 7 and 9 p.m. for a private viewing on day in advance of the opening.

Sincerely

Tom/Szmrecsany.

Art Department Faculty Member

# Representative Crawford,

This in regards to new purposed rules and the hearing scheduled for May 14th, 2014. I urge you to hold a committee vote on the 14th. It is with great disappointment to learn in this hearing the charities will not have a voice and are not able to be heard. If the new proposed rules go through it will have a profound effect on all charities in Michigan. So many of our communities depend on these charities for support and services they are unable to seek elsewhere. The Governor does not seem to understand the very impact he is creating by imposing these rules. This will effect the Michigan Lions (who provide services for shut in's, glasses, wheel chairs, back bracers, canes and other requirements for the disabled of all ages), The Shriner's, (who provide medical services, treatment, surgical services, for children all across Michigan). The Knights of Columbus who support Special Olympics, low income families with various needs) then there is organizations such as ours "Friends of Chrystal" who works with at risk youth in teenage suicide presentation and various other related services. If the new rules are imposed then the larger non profit groups will have to eliminate many services they provide within their communities and the smaller non profit organizations such as "Friends of Chrystal" will not survive.

Due to Michigan's economic struggle, the families and communities in which these non profits exist are highly dependent upon the services they provide. These non profits are not in existence to gain profit from the Millionaire Party events or the Texas Hold em events. The charities use these services available to them in order to survive and provide the required funding needed to give back to the communities who depend upon their services. Additionally charities pay a significant amount of money in the licensing fees and other related fee's to the suppliers who allow the charities in. The State of Michigan makes money off of these events from the suppliers, the licensing fees, the food and services customers use at the events (sales tax, withholding tax suppliers pay for their staff). The Governor would have people believe that all charities in Michigan are out to cheat the system, which is anything but true.

The term non-profit is in existence for a reason as it states there is no profit made from the services and goods supplied. All monies raised goes back in to obtaining a non profit 501 c status and up keep. The fee's paid to the state for licensing and other regulatory fees. Cost to travel to other cities from where the charities exist for events held, and then the annual fees to maintain a non profit.

Most non profit organizations are in existence due to volunteer members who give of their time weekly, monthly, yearly in order to give back to the communities in which they live. So who is truly being impacted by these rules, the community, families of Michigan, who support the Governor for the office he holds. We don't see the casino's being monitored or regulated by these same rules of governing, what services do they provided back to the State of Michigan and the families who live within this State? While the non profit organizations may not have the same revenue the casino's generate that the Governor uses to proceed with his proposed reelection campaign, and other related agendas. The Governor will not make it through another re-election with out these supporters, as the non profits are also a part of Michigan's residents who help to vote him in and keep him in his position. We still are a government of the people, by the people and for the people. We as voters decided who we want at the helm running our State and the businesses and organizations within the State. Further more we urge you impose the same set of rules that you are for the Millionaire Parties and Texas Hold em events on your

great Casino's of the State, in doing so how long do you think they would stay in business, and what impact would it be to the Governor and the income he depends on from them to keep our State operational. It is shameful that these non profits who do so much work to give back to the communities and families of Michigan who are in such great need are faced with this drastic issue of having their doors closed and/or services cut.

The selfless acts of the people who run these organizations and work endless hours to provide services to so many in need should not be taken for granted or lightly. So I ask you Representative Hugh if you had a family member who was facing a life changing crises and your position was stripped from you tomorrow, how would you handle knowing the very group who could provide your loved one the life saving services needed to survive the crises, was no longer in existence. Then ask your service with Michigan's down sizing and limited resources where would you turn to for help... Remember you are not able to go out of state for services as you have no income ability to do so. You have to remain in Michigan and within the community for which you live as there are no other resources available to you. Come out of your glass house for a moment and step into the reality that our middle class and low income families face daily... Tell me how are you going to resolve this crises that your family is depending on....what do you do...and how are you going to feel having to face this family member and advise them that do to the changes from our Governor and the Casino's there is not much hope of resolving what is needed for them. Would you be able to live with yourself under these types of circumstances... This is what you are asking all of us to do and face. You are impacting the very existence of so many in need of life changing services, families who depend upon our support, and families whose income depends on our existence.

This is more than just rule changing that you are imposing on the residents and citizens of Michigan... How much more can you expect people to endure and at what cost for who? I urge you to let the committee vote and voices to be heard, there is power in numbers of peoples voices, and positive change can be made but only if you allow it to be heard. I urge you to let our voices be heard and allow us to continue operations as needed without these new imposed rules, consider the rules and proposal of Senator Jones that provides a win-win for all of us. But most of all I urge you to consider those in need children with cancer, children and young adults who contemplate suicide daily because they have lost all hope. Our elderly who need services for glasses, canes, wheel chairs walkers, prescription medication assistance, low income families who have no insurance for their children's medical needs. Cancer patients who cannot afford treatment needed to survive and the impacts placed on their families. This is who you are effecting by imposing these new rules on the charities who depend on the revenue they generate from the Millionaire Parties and Texas Holdem events. How do you place a price on these needs and the valued services we provided.

Respectfully, Michelle Hubbel Friends of Chrystal Secretary-Board Member I am a member of the Knights of Columbus, Council 7018 in Romeo, Michigan. Without this charity revenue to support our activities in the community it would be seriously impaired. I support Senate bill 878 and urge its passage over the competition which is intended to end this stream of revenue for all charities.

**Regulatory Reform Committee:** 

I am writing to show my (our) support for the SB878 legislation before you. We are in support of this bill and would like your support also.

Other organizations that I belong to that also have Millionaire party licenses issued periodically, which I belong to:

VFW Post 1136 Wyandotte, MCL Detachment 153 Wyandotte American Legion Post 217 Wyandotte, Wyandotte Boat Club

Thank you for your consideration of my (our) request.

Al Starzec

To: Michigan Legislators

From: Michael J. Danek, Treasurer of the Laingsburg Lions Club

Re: SB 878

The major issue for you to decide is whether or not you want to save Charity Gaming and thereby continue a significant stream of money into numerous Michigan communities. Benefactors range from needy families (who get food supplements from charities in the form of meal vouchers to support of local food banks, eyeglasses, handicapped ramps, etc.) to school educational programs not possible due to funding issues to community libraries to girl and boy scouts to many other charitable works. Charity gaming now makes up about 50% of our revenue stream, all of it going to charitable works.

If you decide to save charity gaming then reasonable rules need to be codified to prevent a rogue commissioner from killing it through regulation. A commissioner with a hidden agenda can keep proposing "reasonable rules" that always have at least one poison pill in them that will kill charity gaming, all the while talking about reason.

SB 878 is a bill that allows the commissioner to regulate and enforce the rules without killing charity gambling in the process. All stakeholders have a chance to work together to make the operation successful.

Failure to act on this bill immediately will result in application of the latest set of poison pills until the legislature reassembles in the fall. By then operators will be gone, charities who cannot handle the gaming on their own (almost every charity now gaming) will have stopped gaming, and the revenue stream to the needy, the operator jobs, and the license fees to the state will be gone.

Please vote in favor of this bill immediately!

Thank you for your consideration,

Michael J. Danek

Thank you to the House Regulatory Reform Committee for considering the importance and realizing the urgency of Senate Bill 878.

This bill is the most clear in terms of its value to your constituents and therefore should be quite easy to determine support. This bill supports the fundamentals of what government is, citizens serving each other, and thus has a great impact to the giving people of the State of Michigan.

SB0878 is not associated nor does it provide leverage to any political ideology. It is designed to help the charitable organizations be successful in their endeavors in lending aid to those in need.

One would think the administration voted in by the people would support the people, reduce obstacles, and even mentor them. Unfortunately the current administration has been managing the means of support charities use to enable their good deeds into obscurity. Even though their effect is quite apparent, they continue in their pursuit, justifying the urgent nature of your support for SB 878.

It is sad to make a statement that government of the people is inhibiting those same people from doing the right and most important things in life, but that is the current situation today.

Charitable organizations are asking for your support of SB 878 so they can continue to offer aid to individuals and groups. A short list of the needy affected by this are; veterans, the homeless, those with suicidal tendencies, and those who support education and athletics. As you can see this covers a complete spectrum of community assistance.

This is truly a bill for the people of the State of Michigan and we humbly ask for your vote of support today .

David Heitz Port Huron Figure Skating Club

- 1

To whom it may concern:

We are in favor of Bill # SB878

We are the American GI Forum women of Detroit.

We help a lot of people with our charity funds.

The programs that we are able to fund are scholarships for young and old.

Our motto is: "Education is our Freedom and Freedom should be everybody's Business"

We also help homeless Veterans, Wounded warriors project, Veterans scholarships....etc. The list goes on and on.

We are a non-practicum organization that was been founded in Michigan in 1958.

Respecfully,

Rebecca Lugo Lifetime member

1507 N Rademacher Detroit MI 48209 313-293-0612 rmunozmlugo@aol.com Quit bowing to the big corporations & casino's in Detroit & Toledo that make donations to politicians and want you to stop charity gaming.

It is quite clear that the people of Michigan want "Charity Casino's" or they wouldn't be so popular. So whats the issue???????

Greedy politicians???? Want cash from the corporate casinos??????

Please keep CHARITY GAMING & CASINOS IN MICHIGAN!!!!!

Its what the people want.

Thank you

Mike Cortis St. Fabian Church & School. Our Clinton Valley Kiwanis Club uses the funds from the Texas Holdem project to support our area families in need, provide scholarships to high school graduates continuing their education, provide Thanksgiving and Easter food for over 100 area families, prepare and serve a Thanksgiving feast for a special needs school with food and entertainment, mentor clubs at the local middle and high schools, sponsor students to attend leadership conferences, support the Salvation Army, and many other needs in our local community.

Therefore, we support continuing the Texas Holdem projects for the betterment of our community.

Sharron Henderson Clinton Valley Kiwanis I am in favor of Bill SB878.

With the changes that Director Kalm is proposing the Mason Lions Club would lose 70 to 80% of revenue that we help the less fortunate with. All money that is raised from charitable gaming goes for that reason.

In 18 3 or 4 day events since March of 2009 our charity has earned just under \$50,000 for our many needy causes. Please give greater weight to the <u>good</u> charities such as ours when passing any new rules.

SECTION 44 D2) A MILLIONAIRE PARTY LICENSEE SHALL ENSURE THAT CANCELED

- 8 CHECKS WRITTEN ON AN ACCOUNT INTO WHICH PROCEEDS FROM THE EVENT
- 9 ARE DEPOSITED OR TRANSFERRED ARE RETURNED ON A MONTHLY BASIS TO
- 10 THE ACCOUNT HOLDER. THIS SUBSECTION IS SATISFIED BY THE RETURN OF
- 11 COPIES OF THE CHECKS, IF THE COPIES ARE LEGIBLE AND IF THE
- 12 ORIGINALS CAN BE MADE AVAILABLE TO THE DIRECTOR ON REQUEST.

My concern with this bill is the above text sets up a requirement that the charities cannot fulfill. In today's environment financial institution rarely returned and original checks to account holders and in many instances do not provide images of cleared checks. The financial services industry is relying more and more on electronic imaging, Automatic Clearing House transactions and remote deposit capture software to clear checks. Checks presented through the Automatic Clearing House system are reduced to an electronic message, no signature, memo note, the only is received by the paying institution (the charities account) is the amount of check and the check number. Once imaged, original checks are stores for a period of time and then destroyed ( I am not aware of any regulatory requirement for how long a original check must be stored; however I am aware of institution's that only hold them for three to six months). With remote deposit capture the payee takes a picture of the check with a smart telephone or similar device and transmits the image to their bank. The payee keeps possession of the check. The payee can choose to destroy the original check at any time; there is no regulatory requirement for how long they must keep the original check. Furthermore the conversion of a check can occur at several points during the processing of a check. For example several retailers image checks at the check-out lane. In addition, adopting this section of the law prevents charities from using modern payments methods such as on-line bill pay services and debit cards.

I recommend replacing the above section with language that requires the charity to provide proof that funds raised are properly spent, however, do not condition that proof on checks only. To adopt the section above puts charities in an untenable position and does not reflect the current state of financial services.

Representative Crawford,

I respectfully request that you allow your committee to vote on SB 878 so that the final decision is made on the floor of the House of Representatives. Your Novi Lions Club, of which you are a member, also requests this. If Texas Hold 'Em is controlled by the Michigan Gaming Control Board, the Novi Lions will lose 40 percent of their budget! Think of the number of charities that the Novi Lions will not be able to support! All other Lions Clubs in Michigan will suffer the same way!

The Golden Gloves of Metro Detroit will lose 95 percent of their budget the same way. This organization supports about 125-150 young boxers in the Detroit area!

The rules that will go into effect will make it impossible for hundreds of Michigan charities to function! Will the Michigan government take up the slack? You know the answer to that!

Thank you for your support,

William Barr Novi, MI We are in favor of Bill# SB878

We are the American GI Forum women of Detroit.

We help a considerable amount of people with our charity funds.

The programs that we are able to fund are scholarships for young and old. Our motto is: "Education is our Freedom and Freedom should be everybody's Business"

We also help homeless Veterans, Wounded warriors project, Veterans scholarships...etc. The list goes on and on.

We are a non-practicum organization that was founded in Michigan in 1958.

Respectfully,

Leonor Torres Member AGIF

9189 Chamberlain Detroit, MI 48209 May 13, 2014,

Dear Committee on Regulatory Reform,

The amount of good being done from Charity Poker is much greater than the amount of wrong doing by a few bad apples. This was clearly evident at the Joint Committee on Administrative Rules hearing when hundreds of charity leaders braved a hazardous snow storm just to make sure their voices were heard. They told the Senators and Representatives in attendance that without charity poker in its current form their organizations would seize to exist.

The Michigan Gaming Control Board is not offering viable replacements for charities to raise anywhere near the amount of money that they are proposing to take away. They only propose replacements to charity poker with outdated and antiquated games like BINGO and pull tabs whose profitability and popularity has plummeted in recent years.

At the meeting Director Kalm showed the JCAR committee a PowerPoint slide stating that the MGCB closed down 22 millionaire party locations since taking control from the Lottery in 2012. The current rules and laws allowed this to happen. This is what Governor Snyder asked them to do. He did not ask them to penalize the charitable organizations, suppliers, and poker room owners that followed the law.

We understand where Representative Tim McMillan and Richard Kalm's motivation to destroy charity poker comes from when they refer to it as "MINI CASINOS." It's from the MAMOUTH CASINOS. It is very clear that Richard Kalm and Governor Snyder prefer the Detroit CASINO's revenue stream over helping charities and our less fortunate citizens.

Charity Poker Rooms are not the "MINI CASINOS" that they refer to us as, but instead we are friends and neighbors playing a skill game called Texas Hold'em. When it's done at the end of the night it puts millions of dollars back into our community for less fortunate citizens. Richard Kalm has said that CASINOS do not care about poker and that they make their money from slot machines and CASINOS are 95% slot machines. Charity Poker Rooms do not have slot machines. We do not want to gamble and we have offered to give-up house games such as Black Jack, Craps, and Roulette so that charities would never lose a penny from a game of chance. Unfortunately, that was not good enough for the MGCB and Richard Kalm who won't be satisfied until they have eliminated all of the competition to the MAMOUTH CASINOS.

I urge the Representatives of Michigan to vote Yes on SB878 and NO on Director Kalm's new rules. Send the message that you would rather help the unfortunate citizens of this state and not the MAMOUTH CASINSOS that the Governor is having Richard Kalm protect.

Guy Hickey 31722 Palomino Dr Warren, Michigan 48093

# William C. Audette 1264 Ridgeview Circle Lake Orion, Michigan 48362

May 14, 2014

House Committee on Regulatory Reform: SB 878

My name is Bill Audette and I am from Lake Orion and, a longtime volunteer/coordinator at a non-profit organization that conducts a large millionaire party as part of one of the largest high school festivals of its kind in the United States, attracting over 125,000 visitors to our 120-acre campus over the 4-day Memorial Day weekend. With regard to gaming, we own 100% of our tables and equipment. Plus, our personnel consist almost entirely of volunteers, including parents, friends and alumni. So, in that sense, we are the location, the charity and the supplier.

To date, virtually the entire dialogue surrounding charitable gaming has been focused on poker. Lost in this equation is the fact that literally hundreds of non-profit and charitable organizations throughout the State that rely on the "traditional" millionaire party model as a means to raise money will be forced to abandon this worthwhile activity because the business metrics no longer work. These are groups like church, fraternal and service organizations that conduct millionaire parties, of any size or scale, that will incur new and insurmountable costs if the rules being proposed by the Michigan Gaming Control Board are allowed to go in to effect—which they most certainly will unless this committee does the right thing and vote in favor of SB 878.

More specifically: the rules proposed by the Gaming Board require that any person who works as a dealer, no matter in a poker room or traditional millionaire party, submit to a criminal background check. For volunteers, those who make up the largest part of the workforce at a traditional millionaire party, this proviso will without question, be perceived as both officious and overly intrusive. And, it is not because a volunteer necessarily has anything to hide; rather, it is that any individual will rightfully perceive this stipulation as an annoyance-clearly beyond the scope of kind volunteerism. As a result, most will simply not volunteer to work as a dealer, which, in turn, will force the charity to hire professional dealers. Now...multiply \$200 per-shift for every professional dealer and subtract that amount from the evening's profit. I've done the math. It doesn't work.

SB 878 addresses the difference between a professional venue and a casual event as it stipulates that if a dealer is a bona fide member of the sponsoring organization working as an unpaid volunteer, that person does not have to submit to a criminal background check. Again, it's not just about poker. SB 878 was written with this in mind.

Secondly, SB 878 truly reflects the economic realities of charitable gaming in the year 2014 by allowing an organization to make meaningful income from their fundraising efforts—money that ultimately will be used to benefit others. The bill would raise the wager limit from a paltry \$15,000 to \$50,000 if the licensee conducts its own event. In other words without collaborating with what in the Bill officially defines as a "charitable gaming service provider".

Let me explain how important this is. At our event, we could easily sell \$30,000 to \$50,000 in chips per night and earn say, 20%-30% from that total versus 20%-30% of \$15,000. At this event, and many others similar, people are standing in line trying to get in. Why? Because we provide a venue where, unlike a casino, a person can wager as little as \$1 per bet, versus \$25 per bet at a casino, buy a \$3 beer, versus \$10-\$15 at the casino, have an fabulous evening of fun and perhaps, even walk away with a few shekels more than they came in with. Yet, the wager limit, which has not been changed since 1999, remains in place, despite the fact that organizations must literally turn away patrons who are willing to spend and donate, albeit indirectly, to a worthwhile cause.

V

Some apologist for keeping the wager limit low say that it serves as a way of protecting the licensee from adverse gaming results. However, a wager limit can actually have the exact opposite effect, specifically: by preventing the house's ability to recoup losses that routinely occur during the ebb and flow during any game of chance. Moreover, our organization has NEVER lost money at any millionaire party that we have conducted over the last 40 years. Some events have been more profitable than others however, we have never lost money. This can be attributed to:

- Strong management/floor supervision
- Well defined processes/monitoring
- Comprehensive training for ALL volunteers
- Strict adherence to a sensible betting regimen.

Incidentally, the rules proposed by the Gaming Control Board and, those that will come in to effect should this Committee not act; contain no provision for altering the wager limit.

In summary, SB 878 will make charitable gaming better in Michigan by putting superior definition and better control at every juncture regardless of venue, traditional gaming or poker. In other words, SB 878 is a well-thought-out "proactive" approach to meet the challenges surrounding charitable gaming in 2014 versus the "reactive" patchwork of arbitrary repairs to the current law that, quite frankly, should have been taken off life-support long ago. SB 878 is the right bill, at the right time, for all the right reasons! I strongly encourage every member of this committee vote for its passage. Thank you.

Michigan State Senate

**Regulatory Affairs Committee** 

May 13, 2014

**RE: SB878** 

Dear Sirs,

I am speaking in support of SB878 regarding Charitable Gaming. I represent the Fraternal Order of Police Lodge #130 Auxiliary and we depend on charitable gaming for our income. We do not receive funds from any other source other than what we can raise with our own fundraising efforts.

Over the years, we have tried many different kinds of fundraising and charitable gaming poker events are by far the most successful. We have done poker events at our own facility but have found that without the advertising and regular clientele, they are not very successful. We usually made about \$160.00 for one night. With the advent of the dedicated poker rooms, which are already regulated by the State of Michigan, we are able to see a profit of about \$1,000 or more per night. This is for the same amount of work and investment of time, manpower and money. Which profit would you rather have?

We depend on these funds to finance our operations to promote our goals of support of Law Enforcement and our local communities. We support the National Law Enforcement Officers Memorial, the Michigan Law Enforcement Officers Memorial, and the National Law Enforcement Memorial Service in Washington, DC, MiCOPS, COPS and the Police Unity Tour, among others. These honor the officers who have given their lives in the performance of their duties to their community and country. We support Special Olympics, Haven, the Law Enforcement Torch Run, Easter Seals and other local community groups.

Please help us help others by continuing our access to successful fundraising events through Charitable Gaming as outlined in SB878.

Thank you for your time and consideration,

Delores J. Green, Vice President

Fraternal Order of Police Lodge #130 Auxiliary (ID #109149)

40114 Walter Drive

Sterling Heights, MI 48310

586-977-8669 (Home)

ori.green@gmail.com (Email)

Representative Crawford, Representative McBroom, Representative Haugh, fellow committee members, and Executive Director Kalm,

Thank you for the opportunity to speak on behalf of the Grand Ledge Lions Club and charities across the state. This is the fourth time in the past seven months that I have appeared at a hearing regarding proposed rules changes for charitable gaming. While I have heard rhetoric at each of these hearings to the effect that the proposed regulations are being implemented to protect the interests of the charities who benefit from the charity poker events, the likely impact of said regulations would seem to directly contradict these stated intentions.

The Grand Ledge Lions Club is involved in a multitude of charitable activities in our community and beyond. Our annual budget is approximately \$20,000. Of that amount, \$6,000-10,000/year has been generated by charity poker events each of the past four years. These additional monies have helped us fund a multitude of local projects in our community, including Blessings in a Backpack; major contributions to the Grand Ledge Emergency Assistance Program (GLEAP); distribution of funds for glasses, hearing aids, and examinations for dozens of individuals in our community each year; building ramps for the handicapped; Christmas food baskets to the needy; renovations and construction projects at local parks; sponsorship of a local Cub Scout pack; MDOT Highway Cleanup; and support for our local soldiers serving overseas.

The proposed rules changes will drastically reduce our ability to help our community. The proposed restriction of only one charity being allowed to work an event at a given location on a given date will reduce opportunities at the location we typically work (Tripper's) by 2/3, as they typically host three charities/day. Furthermore, the limitation of days to conduct these events to 208 days/year, instead of the present scenario, which allowed around 350 days/year reduces opportunities by an additional 40%. At Tripper's this amounts to a reduction in available days for charities from approximately 1050 (3 charities/day) to 208. In other words, the net effect is an 80% reduction in opportunities for charities in our area.

This means we are likely to get only one opportunity, instead of three or four, as has been the case for the past four years. Clearly, this is not in the best interest of our club or our community! We will see a revenue reduction of \$4500-7000/yr.

Any thought that this will be offset by ending the moratorium on licensing new suppliers and locations is just not logical. If you propose to reduce days of operation and reduce the ability to charge for professional services rendered from 50% of profits to 35%, it is not practical to presume more businesses will develop.

If you truly wish to protect the interests of charities, please roll back these proposed changes by passing a House version of SB 878. Meanwhile, Executive Director Kalm can continue to do the good work he has done to regulate and restrict those who have abused the system.

Thank you for your time and consideration.

Sincerely,

Joel K. Spalsbury

Grand Ledge Lions Club Vice-President/ Charitable Gaming Chairperson

To: Michigan Legislators

From: Michael J. Danek, Treasurer of the Laingsburg Lions Club

Re: SB 878

The major issue for you to decide is whether or not you want to save Charity Gaming and thereby continue a significant stream of money into numerous Michigan communities. Benefactors range from needy families (who get food supplements from charities in the form of meal vouchers to support of local food banks, eyeglasses, handicapped ramps, etc.) to school educational programs not possible due to funding issues to community libraries to girl and boy scouts to many other charitable works. Charity gaming now makes up about 50% of our revenue stream, all of it going to charitable works.

If you decide to save charity gaming then reasonable rules need to be codified to prevent a rogue commissioner from killing it through regulation. A commissioner with a hidden agenda can keep proposing "reasonable rules" that always have at least one poison pill in them that will kill charity gaming, all the while talking about reason.

SB 878 is a bill that allows the commissioner to regulate and enforce the rules without killing charity gambling in the process. All stakeholders have a chance to work together to make the operation successful.

Failure to act on this bill immediately will result in application of the latest set of poison pills until the legislature reassembles in the fall. By then operators will be gone, charities who cannot handle the gaming on their own (almost every charity now gaming) will have stopped gaming, and the revenue stream to the needy, the operator jobs, and the license fees to the state will be gone.

Please vote in favor of this bill immediately!

Thank you for your consideration,

Michael J. Danek

# Millionaire Parties JCAR 14-03 ORR # 2013-088TY vs. SB 878

Issue	JCAR 14-03 ORR # 2013- 088TY	SB 878
Unclear in current legislation who is authorized to assist in providing gaming activities	Allows for suppliers only no locations	Sets up a licensing process for Charitable Gaming Service Providers (CGSP) to include locations and suppliers.
Unclear as to how far the Director/Board can go to verify the charity	Sets up a process to verify, including a requirement that a charity make at least \$500 in unrelated fundraising	Also, sets up a process to verify.  Difference is in the fact that if a charity meets all the requirements the Department is required to issue a license.
Background checks for dealers, people who are involved in the process and unless they are a supplier owner or charity board members should be checked via the application process but no one else, would like to include these persons	Requires the charities to do the background checks on the persons they hire to perform these services	
No clarity on the appeals process for qualified organizations or Suppliers/locations if they are issued a violation	Can contest a ruling	Sets up a process to have it reviewed by the board if they object and if they still object allows for the entity to go through the court to get a ruling
Number of games to be held at a location	1 event per location unless and exception is made and then 2, but it is clear in the rules that this will be a rare exception and only if it's a special event.	4 under the legislation, not a requirement that they have 4 but if they have the space and people they can ask for up to 4
Chip count amounts (\$15,000 currently)	Remains \$15,000	Increase to \$20,000 for qualified organizations using CGSPs Increase to \$50,000 for qualified organizations that run all of their own operations.
Requirements for Bona Fide members of the Organizations who are running the operations	Requires 3 persons but isn't clear on duties of the persons	Requires 2 persons Record Keeper and Chairperson at all times with clearly laid out job duties, also designates the principal board member as the person in charge of all aspects
he amount of money a upplier/location can make in this process	45%	50%, the current amount through administrative rule is 50%, we maintain that amount.

# BEFORE THE HOUSE COMMITTEE ON REGULATORY REFORM TESTIMONY OF ROBERT B. NELSON

Chairman Crawford and members of the committee, my name is Robert Nelson. I am a former member of the Michigan Public Service Commission and a former Chairman of the Administrative Law Section of the State Bar of Michigan.

Today, I am here on behalf of the Lansing Kiwanis Club. Our club has been licensed to hold millionaire parties for more than four years and the proceeds we have received have helped to fund numerous projects that benefit the Lansing community. Our club fully supports SB 878, as passed by the Senate, and believes passage by the House is necessary to avoid the promulgation of rules that will surely spell an end to our ability to serve.

SB 878 would allow us to continue to hold millionaire parties because it would replace the onerous provisions of the Michigan Gaming Control Board rules that would require us to have three persons on duty at all times during a millionaire party and severely limit the number of millionaire parties that could be held at a given location, which in turn makes it uneconomic for our suppliers to operate.

When the Gaming Control Board first proposed its rules, its regulatory impact statement indicated that "the harm resulting from unregulated public gaming includes a lack of public safety, failure to maintain the integrity of gaming, and increased opportunity for unlawful activity."

The provisions in the proposed rules that would be overridden by this legislation would not enhance public safety, would not threaten the integrity of gaming and would not increase unlawful activity. Having two fully certified members of a non-profit organization on duty at all times, as opposed to three, is more than sufficient for public safety and does not jeopardize the integrity of gaming.

I am also a Division coordinator and member of the Speakers Bureau for the Kiwanis International Eliminate Project. Michigan Kiwanis clubs have pledged to raise over \$2 million in an effort to eliminate maternal and neonatal tetanus in the developing world. Many of these clubs, including my own, are relying on funds from Millionaire parties to reach our goal. For every \$1.80 that we cannot raise, a baby's life is threatened. We urge you to vote out the Senate-passed version of SB 878. Thank you.

# **Angie Lake**

From:

Jeannine Reynolds <rjeannine@gmail.com>

Sent:

Tuesday, May 13, 2014 2:04 PM

To:

Angie Lake

Subject:

SB878

I cannot attend tomorrow's Regulatory Reform Committee meeting, but wanted to let you know my perspective on this bill.

I am a Location Owner, as designated in the Act and the Rules. TJ's Charity Card Room is located in Grand Rapids. We operate 7 days/week with two charities at all times. We have been in operation for six years now and have been through a myriad of changes at the state level.

The key to fundraising is participation. Players come to our location because it is local, inexpensive (not like a trip to the casino) and they gravitate to places where they are comfortable and they get to know each other. It's like a friendly gathering every day.

With just eight poker tables, our charities have netted a total of \$335,000 in 2013. We employ 20 staff. These people are paying taxes, child support and they are covered under Workers' Comp and have unemployment benefits.

We have been at the mercy of Director Kalm's constant changes and starts and stops in the last year. His office sends out constant little colored pieces of paper with the latest changes with every Millionaire Party license. He has tried to change the rules several times. Last summer some of the changes were challenged in court and some were discarded - for now, he testified, last October.

The small changes that have wreaked so much havoc on a weekly basis last summer are not rule changes, they are not even directives. I don't know how the Board is describing them, but if one doesn't comply, one doesn't receive their next license.

For instance, schools have been required to name paid school staff as workers at the Millionaire Parties. No other group is allowed to use paid staff as workers. This is not in the rules or the Act.

Another example is that now all paperwork from the event must be sent in to the state. If not done, no next license.

We need legislation rather than rules that all end with the words, "at the discretion of the Director."

We at TJ's support SB 878 and hope that you will, also.

Good money is raised at our place, and good works are supported through the various charities. I began this business after leaving the non-profit sector. I held these events as a non-profit organization and now operate this room.

We ask for consistency, and the right to operate in the best interests of the charities. We ask that you consider and approve SB 878.

Thank you.

--J 616-262-6652

# **Angie Lake**

From:

vikki guiles <elkvikki@gmail.com>

Sent:

Thursday, May 15, 2014 10:19 AM Angie Lake

Subject:

SB 878

## Dear Sir or Madam:

I am writing in support of passage of SB 878 for charities to be able to raise funds for their cause via Tx Hold'em tournaments as outlined in this bill. It is vital that we have the protection from the whims of the Control Board and have the right to raise funds without interference as long as the rules are followed. The charities desperately need an avenue to raise funds in this tight economy. Companies are not able to be as generous with contributions, individuals certainly are not. This means of fundraising is lucrative for charity purposes, and is tightly administered by the supplier that we have worked with (TJ's charity card room). I represent two charities - both of which have attempted to raise funds via other means to little or no avail. This venue gives us the means to support our charity work financially. We have to save volunteer resources of time to do the charity work as well, which would suffer imeasurably if we lost this venue or had to keep ducking/weaving the Control Boards' attempts to annihilate the program. Please support SB 878 for the good of the charities in the State of Michigan. It really is the right thing to do for our State, our charities, and the volunteers that try to help with good works.

--

Vikki Guiles
Exalted Ruler
GR Elks Lodge #48
and
V. Pres/Treasurer
GR Steelheaders Fdn.

616-745-1234